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**NOIDA INSTITUTE OF ENGINEERING AND TECHNOLOGY, GREATER NOIDA**

**(An Autonomous Institute Affiliated to AKTU, Lucknow)**

**MBA (Integrated)**

**SEM: II - THEORY EXAMINATION (2023 - 2024)**

**Subject: Macro Economics**

**Time: 2.5 Hours**

**Max. Marks: 60**

**General Instructions:**

**IMP:** Verify that you have received the question paper with the correct course, code, branch etc.

1. This Question paper comprises of **three Sections -A, B, & C**. It consists of Multiple Choice Questions (MCQ's) & Subjective type questions.
2. Maximum marks for each question are indicated on right -hand side of each question.
3. Illustrate your answers with neat sketches wherever necessary.
4. Assume suitable data if necessary.
5. Preferably, write the answers in sequential order.
6. No sheet should be left blank. Any written material after a blank sheet will not be evaluated/checked.

**SECTION-A**

15

1. Attempt all parts:-

- 1-a. Which of the following is the objective of government budget? (CO1) 1
- (a) Distribution of income and wealth
  - (b) Economics stability
  - (c) GDP growth
  - (d) All of these
- 1-b. The value of money in Fisher's equation is determined by (CO2) 1
- (a) Demand for money
  - (b) Demand and supply of money
  - (c) Supply of money
  - (d) None of these.
- 1-c. One of these is considered essential for economic growth. (CO3) 1
- (a) Mild Inflation
  - (b) Moderate inflation
  - (c) Galloping inflation.
  - (d) None of these.
- 1-d. As disposable income increases, consumption: (CO4) 1
- (a) Decreases and saving increases.
  - (b) Increases and saving decreases.
  - (c) and Saving both increase.

(d)	And saving both decrease.	
1-e.	The percentage of demand deposits which the commercial banks are legally required to maintain as their liquid assets is called: (CO5)	1
(a)	Statutory liquidity Ratio	
(b)	Deposit ratio	
(c)	Cash Reserve ratio	
(d)	Legal reserve ratio	
2.	Attempt all parts:-	
2.a.	Discuss the goals of Macro Economics. (CO1)	2
2.b.	Define M3 concept of Money Supply. (CO2)	2
2.c.	Define Deflation. (CO3)	2
2.d.	Elaborate MPS. (CO4)	2
2.e.	Define Recession. (CO5)	2
	<b><u>SECTION-B</u></b>	<b>15</b>
3.	Answer any <u>three</u> of the following:-	
3-a.	Discuss the problems in the measurement of National Income. (CO1)	5
3-b.	Elaborate contingent functions of money. (CO2)	5
3-c.	Differentiate between anticipated inflation and unanticipated inflation. (CO3)	5
3-d.	Elaborate the psychological law of consumption. (CO4)	5
3-e.	Discuss the characteristics of expansion stage of business cycle. (CO5)	5
	<b><u>SECTION-C</u></b>	<b>30</b>
4.	Answer any <u>one</u> of the following:-	
4-a.	Discuss the four components of GDP. (CO1)	6
4-b.	Macro economics studies the working of an economy as a whole. Elaborate.(CO1)	6
5.	Answer any <u>one</u> of the following:-	
5-a.	Elaborate Classical Theories of Demand for Money. (CO2)	6
5-b.	Critically analyze Keynes' Quantity Theory of Money.(CO2)	6
6.	Answer any <u>one</u> of the following:-	
6-a.	List out possible reasons why US is having just 3.7% of unemployment. (CO3)	6
6-b.	Elaborate on the after effects of increased inflation. (CO3)	6
7.	Answer any <u>one</u> of the following:-	
7-a.	The consumption function can be represented as a table, as an equation, or as a curve. Distinguish among these three representations. (CO4)	6
7-b.	Draw a hypothetical investment demand curve, and explain what it shows about the relationship between investment and the interest rate. (CO4)	6
8.	Answer any <u>one</u> of the following:-	
8-a.	Differentiate between Monetary and Fiscal Policy. (CO5)	6

8-b. Elaborate the role of Reserve Bank in functioning of an economy. (CO5)

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COP . JULY 2024